GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:293
ANSWERED ON:08.12.2000
DUTY IMPOSED BY JAPAN ON SOFTWARE
GANGASANDRA SIDDAPPA BASAVARAJ;Y.S. VIVEKANANDA REDDY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether the Indian Government have urged Japan to withdraw the 20 per cent withholding tax, which is hampering software exports from India;

(b) if so, whether the Government have also called for resolving the issue of non-tariff barriers being imposed by Japan on fruits and vegetables imported from India; and

(c) if so, the extent to which Japan has agreed to consider India`s request?

Answer

THE MINISTER OF STATE IN THE MINISTRY COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 293 TO BE ANSWERED ON 08.12 REGARDING DUTY IMPOSED BY JAPAN ON SOFTWARE:

(a) Yes Sir.

(b) & (c) : The Government have taken several steps to resolve the issue of non-tariff barriers being imposed by Japan on fruits and vegetables imported from India. As required by the Japanese authorities, APEDA carried out Vapour Heat Treatment (VHT) trials to establish protocols on different varieties of mangoes and the test results were also submitted to the Japanese authorities in July 1997 and October 1997. Further, the rearranged data in a form prescribed by the Japanese authorities for nine mango varieties were also sent in July 1998. Later, these tests were done in large scale as required by the Japanese authorities and the data was submitted in April 1999. Regarding grapes, an Indian delegation representing the Department of Quarantine of the Ministry of Agriculture and APEDA visited Japan during October 2000 and discussed with the Japanese Quarantine authorities for lifting the ban on the import of Indian grapes into Japan. On the above issues, the Japanese response has been consistently positive though a final resolution is yet to be reached. Japan gave a VHT machine as a grant to APEDA to carry out the VHT testsOn the acceptance of the VHT test trial data, a Japanese VHT expert visited India in October 1999 and informed the Government of India that the Japanese authorities were satisfied with the results of the tests conducted in India. Japan also promised to send a team of experts to India for verification. Similarly, on the issue of fruit-fly, the Japanese authorities have responded favourably to our report on the absence of fruit-fly but have asked for a survey from India. On the issue of grapes, the Japanese authorities informed the Indian delegation in October 2000 that they would send a team of Quarantine Inspectors for the survey of the grape growing areas in India. The above issues were also taken up with the Japanese authorities during the 14th Round of Indo-Japan Trade Talks at Tokyo in February 1999.Both these issues are being pursued vigorously by the Government of India for early resolution.